

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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In re	:	Chapter 11 Case No.
	:	
MOTORS LIQUIDATION COMPANY, <i>et al.</i> ,	:	09-50026 (REG)
f/k/a General Motors Corp., <i>et al.</i> ,	:	
	:	
Debtors.	:	(Jointly Administered)
	:	
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STIPULATION AND ORDER MODIFYING TERMS  
OF RETENTION AND EMPLOYMENT OF LFR, INC.  
AS ENVIRONMENTAL CONSULTANTS TO THE DEBTORS

WHEREAS on June 1, 2009 (the “Commencement Date”), Motors Liquidation Company f/k/a/ General Motors Corp. and certain affiliates (collectively, the “Debtors”) filed voluntary petitions for relief under chapter 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Southern District of New York;

WHEREAS, the Debtors are authorized to continue to operate their businesses and manage their properties as debtors and debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code;

WHEREAS, on August 3, 2009, this Court entered an order authorizing the Debtors to retain and employ LFR, Inc. (“LFR”) to provide environmental consulting services to the Debtors, *nunc pro tunc* to the Commencement Date (the “Retention Order”), on the terms set forth in the engagement letter between the Debtors and LFR dated June 15, 2009 (the “Engagement Letter”);

WHEREAS, on November 12, 2009, LFR filed its First Application for Interim Professional Compensation for the period June 1, 2009 through September 30, 2009, seeking

payment of fees of \$633,772.80 and reimbursement of expenses in the amount of \$43,447.98 (the “First Interim Fee Application”);

WHEREAS, on March 15, 2010, LFR filed its Second Application for Interim Professional Compensation for the period October 1, 2009 through January 31, 2010, seeking payment of fees of \$1,034,548.40 and reimbursement of expenses in the amount of \$182,730.34 (the “Second Interim Fee Application”);

WHEREAS, on June 22, 2010, the Fee Examiner filed his Report and Statement of Limited Objection to First Interim Fee Application and Preliminary Report on Second Interim Fee Application (the “First Report”);

WHEREAS, in the First Report, the Fee Examiner raised certain concerns regarding LFR’s retention terms and First Interim Fee Application, including, LFR’s requested reimbursement of expenses for use of a subcontractor, TEA, Inc. (“TEA”), which subcontractor was not retained by separate Order of the Court;

WHEREAS, on June 28, 2010, Frank Lorincz submitted his Second Supplemental Affidavit and Disclosure Statement in support of the Debtors’ retention of LFR (the “Second Supplemental Affidavit”);

WHEREAS, the Second Supplemental Affidavit attempted to address all of the Fee Examiner’s concerns in the First Report;

WHEREAS, as disclosed in the Second Supplemental Affidavit, LFR retained TEA and other subcontractors to address various niche environmental consulting services required by the Debtors;

WHEREAS, after filing the Second Supplemental Affidavit, the Fee Examiner and LFR agreed to certain disallowances and the Fee Examiner consented to LFR's First Interim Fee Application;

WHEREAS, by Order entered July 22, 2010, the Court granted LFR's First Interim Fee Application;

WHEREAS, on August 5, 2010, LFR filed its Third Application for Interim Professional Compensation for the period February 1, 2010 through May 30, 2010 (the "Third Interim Fee Application");

WHEREAS on October 19, 2010, the Fee Examiner filed his Report and Statement of Limited Objection to Second Interim Fee Application and Preliminary Report on Third Interim Application (the "Second Report");

WHEREAS, in the Second Report, the Fee Examiner continues to raise concern over LFR's request for reimbursement of expenses related to LFR's use of TEA and other subcontractors in connection with the services provided by LFR;

WHEREAS, the Debtors and LFR desire to amend LFR's retention to address the concerns raised by the Fee Examiner regarding LFR's use of TEA and other niche subcontractors;

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and between the Debtors and LFR, as follows:

1. The terms of LFR's retention shall be amended, *nunc pro tunc* to the Commencement Date, to authorize LFR's use of outside consultants, including TEA, for specific tasks in connection with services requested by the Debtors, and, subject to Court approval of

LFR's fees and expenses under sections 330 and 331 of the Bankruptcy Code, LFR shall be entitled to the reimbursement for costs associated therewith.

2. The Debtors and LFR agree that to the extent the Engagement Letter is inconsistent with the terms of this Stipulation and Order, this Stipulation and Order shall govern.

Dated: October 27, 2010

LFR, INC.

By: /s/ Frank Lorincz  
Frank Lorincz  
Chief Executive Officer

Dated: November 1, 2010

MOTORS LIQUIDATION CORP.

By: /s/ James M. Redwine  
James M. Redwine  
Vice President, Environmental

IT IS SO ORDERED.

Dated: **November 5, 2010**  
New York, New York

**s/ Robert E. Gerber**  
THE HONORABLE ROBERT E. GERBER  
UNITED STATES BANKRUPTCY JUDGE